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## **BUSINESS CULTURE IN THE UNITED ARAB EMIRATES**

**Abstract:** This article describes the main features of the business culture in the United Arab Emirates (the UAE). A study has been conducted on the general standards of people's behavior in a given country, and the basic principles of doing business have been studied. As absolutely every sphere of human activity in the UAE is governed by the norms of Islam, the article examines cultural and ethical problems that a Westerner can face and gives practical recommendations on how to avoid these problems without violating Muslim traditions and successfully run a business. Particular attention is paid to such important elements of business ethics in the UAE as acquaintance with business partners and communication with them, business meetings and business dinner, time management and a dress code.

**Keywords:** business etiquette, Arabic culture, Islam, dress code, the UAE.

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## **БИЗНЕС-КУЛЬТУРА В ОБЪЕДИНЕННЫХ АРАБСКИХ ЭМИРАТАХ**

**Аннотация:** В данной статье рассмотрены основные особенности деловой культуры в Объединенных Арабских Эмиратах.

Проведен обзор на общие нормы поведения людей в данной стране, изучены основные принципы ведения бизнеса. Так как в ОАЭ абсолютно каждая сфера жизнедеятельности человека регулируется нормами ислама, в статье рассмотрены культурно-этические проблемы, с которыми может столкнуться западный человек, и даны практические рекомендации, как эти проблемы избежать, не нарушая мусульманские традиции, и успешно вести свой бизнес. Особое внимание уделено таким важным элементам деловой этики в ОАЭ, как: знакомство с бизнес-партнером и общение с ним, деловые встречи и деловой ужин, тайм-менеджмент и правильный дресс-код.

**Ключевые слова:** деловой этикет, арабская культура, ислам, дресс-код, ОАЭ.

The United Arab Emirates (the UAE) is an oasis located in the deserts of the Middle East, where Bedouin tribes used to settle down. Its main production consisted of pearls extracted from the Arabian Gulf. The discovery of petroleum in 1958 enabled the country to become a luxurious and rich paradise. As an example, Dubai is the city where one of the two six-star hotels in the world, Burj Al Arab, is located. Another one, Emirate Palace, and the leisure center Dubailand are in Abu Dhabi. Despite the modern image of these cities, it must not be forgotten that a bit more than sixty years ago residents of the Emirates were Bedouin merchants and had a distinctive way of doing business [2].

Business etiquette in the United Arab Emirates involves a courtship between two cultures, each with its own set of mores, customs, and cultural protocols. The UAE brings together a country founded on Islam and people from around the world, many of whom are not Muslims. Emirates constitute roughly 10% of the total population, making the UAE home to one of the world's highest percentage of immigrants.

The first and most important thing to recognize is that in the UAE Islam is not only the main religion, it permeates every aspect of most people's lives, including the laws, business, culture, the ways of interacting, and the world and business views of the leadership. The UAE, considered to be a very modern country, is a melting pot of many cultures with expats from around the world living and working there. Even with its

modern and international feel, your business success depends on your being sensitive and respectful of the culture which you are working in [1].

Speaking of the fundamental principles of business culture, it should be mentioned that although the UAE is cosmopolitan and tolerant, Islam regulates people's laws and attitudes. Family and hospitality are key values.

Hierarchy tends to be highly vertical. Bosses act in a paternalistic manner with employees. The same is true in family businesses: the head of the family is often a decision maker as well. Managers request input from stakeholders to make decisions, but delegate implementation to team members.

It is imperative to take the time to build personal relationships and establish trust. Private and professional lives are not clearly separated. Face-to-face meetings should be favored when negotiating in order to strengthen the relationship.

Relations in the Emirates rely in no small way on oral communication and face-to-face discussions. Secretaries generally do not have the power to fix appointments. It is normal to set up meetings no more than two weeks in advance and confirm a couple of days before the date arrives. It is better to set up a meeting through a mutual contact. Networks and exchange of services are very important in the local culture. Big businessmen usually hold a weekly «majlis», a form of a meeting which one can join without an appointment and a very suitable place to socialize and spot key contacts. Another option is contacting an embassy for an Overseas Market Introduction Service (OMIS), a program-arranging service where companies are referred to the most appropriate contact and appointments are confirmed. Regional trade shows are also an excellent way to meet potential partners and clients.

The next thing to pay attention to is time management. It is important to arrive for meetings on time and not to be in a hurry. The private sector works Sunday-Thursday from 9 a.m. to 5 p.m. and the public sector works Sunday-Thursday from 7:30 a.m. to 2:30 p.m. (some offices are open until 4 p.m.). Muslims pray five times a day, so any meeting must work around that schedule. The official weekend in the UAE is Friday and Saturday.

Greetings and titles should also be taken into consideration. The Arabic greeting formula is «essalamu 'aleikum» (may peace be with you), which is replied with «wa aleikum essalam» (and peace with you). However, it is rare for Emirati businessmen to greet foreigners this way. Once invited to enter, one should take off their shoes if the floor of the

room is covered by a rug or a carpet. During Ramadan, one greets by saying «Ramadan Kareem!» (noble Ramadan) or «Ramadan Mubarak!» (blessed Ramadan). If there are several people in the room, one should always greet the oldest person first and then continue greeting counterclockwise. Emiratis have the tendency to grasp hands when greeting for a long time; one should not be surprised and withdraw their hand abruptly, but rather wait until the other person finishes the greeting. If the associate is a woman, male expatriates should not shake hands unless she presents them. It is also important to avoid prolonged attention towards her. If an expatriate woman has an appointment with an Emirati man, she should not directly shake hands but wait until men present themselves. Foreigners should be sure to use only the right hand as Muslims reserve the left hand for bodily hygiene and consider it unclean.

Emiratis are quite informal with respect to the use of visitors' names. Thus, it is customary to call visitors by their first name preceded by «Sayed» (Mr.) or «Sayeda» (Mrs.) [6].

In the matter of clothing it is known that modesty is extremely important in the Middle East both for women and men. Being mindful not to wear revealing clothes (including open-toed shoes) and cover your shoulders, arms and legs is very significant.

For men it is appropriate to wear a suit and a tie. Darker colors are viewed as more professional. Women should wear either a suit or a skirt with the hem below knees. It is not necessary for non-Muslim women to wear a hijab, or a headscarf, unless you plan to visit a religious site during your trip.

You may be approached by locals (such as security guards, colleagues, etc.) if they deem your clothing choices inappropriate. If this happens to you, stay calm, politely apologize, and head back to your hotel to change into something more modest. It is best to err on the safer side and pack your most conservative clothing options [5].

You should not start a meeting by talking directly about business. People usually talk a little about themselves or the weather. In conversation, it is always good to ask about the health and well-being of a counterpart's family (being careful not to directly ask a question about a wife or a daughter). Appropriate questions include – «How many children do you have?» and «Where do they study?».

Trade negotiations demand patience and relationships are often built over a series of meetings. You should be formal and address the decision maker, the «Sheikh», throughout your presentation. Meetings are rarely

private. Emiratis are known to have very good negotiating skills and the spoken word is valued highly. Decision-making is long and any pressure tactic is viewed negatively. If there is some doubt about the outcome of negotiations it should not be expressed too negatively and the word «no» is best avoided. One should not feel offended when the host takes telephone calls during a meeting or allows other people to enter. Once a deal is made – either orally or in writing – expect the Arab counterpart to abide by it. That is why it is essential to consult a lawyer before signing any document. It is no less important to be careful not to show the bottom of your shoes when sitting in a meeting, though it may seem like an odd rule of thumb. This is a sign of great disrespect and is a common mistake by Westerners [6].

During meetings it is inevitable to dine. Observant Muslims do not drink alcohol. In the UAE, alcohol is served in most hotels but may not be available in local restaurants. If alcohol is not offered, it is better not to ask for it. You should also never refuse food or an additional helping during dinner as it is considered a bad manner.

There are some more points to be noticed:

- You should not ask for pork or pork products. Muslim tradition frowns on consuming pork.
- When you finish eating, utensils should be left facing upward in the middle of the plate.
- Left-handed people must eat with their right hand only.
- If it is you who are hosting dinner and are responsible for the bill, it is expected that you tip 10 percent over and above the service charge.
- If you are invited to dinner at a Muslim colleague's home, be sure to remove your shoes at an appropriate spot and set them aside in an orderly fashion prior to entering (of course, unless your host asks you to keep them on). So, it should be remembered that Islam is a religion of cleanliness and courtesy, and wearing shoes is often seen as a sign of disrespect within the walls of a home.

It is appropriate, although not expected, to give a small token or gift to your host upon introduction. Suitable gifts include an enjoyable book or a company memento. Something personal can be a very meaningful touch – therefore, a gift related to your host's background or hobbies is an even better idea [5].

The UAE is a global business center. Nonetheless, new businesses should have some awareness of the Arabic culture and the ways of commerce in an Arabian business environment. In the Arab world, more

than anywhere else, business is conducted on the basis of personal relationships and mutual trust. It is vitally important to build on these.

Although this is changing rapidly and may not apply to all large firms, companies are often a family affair, with the ultimate decision-maker being the head of the family. Even if this is not the case, it is essential to clearly identify the decision-maker. However, initial meetings will probably be at a lower level.

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